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HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

FINANCIAL GUIDANCE AND CLAIMS BILL [*LORDS*]

Third Sitting

Tuesday 6 February 2018

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Saturday 10 February 2018

The Committee consisted of the following Members:

Chairs: † Andrew Rosindell, Graham Stringer

† Amesbury, Mike *(Weaver Vale)* (Lab)
† Black, Mhairi *(Paisley and Renfrewshire South)* (SNP)
† Burghart, Alex *(Brentwood and Ongar)* (Con)
† Coyle, Neil *(Bermondsey and Old Southwark)* (Lab)
† Donelan, Michelle *(Chippenham)* (Con)
† Dromey, Jack *(Birmingham, Erdington)* (Lab)
† Fovargue, Yvonne *(Makerfield)* (Lab)
† Foxcroft, Vicky *(Lewisham, Deptford)* (Lab)
† Glen, John *(Economic Secretary to the Treasury)*
† Latham, Mrs Pauline *(Mid Derbyshire)* (Con)
† Mackinlay, Craig *(South Thanet)* (Con)
† Merriman, Huw *(Bexhill and Battle)* (Con)
† Milling, Amanda *(Cannock Chase)* (Con)
† Opperman, Guy *(Parliamentary Under-Secretary of State for Work and Pensions)*
† Reeves, Ellie *(Lewisham West and Penge)* (Lab)
† Thomas, Gareth *(Harrow West)* (Lab/Co-op)
† Tracey, Craig *(North Warwickshire)* (Con)

Jyoti Chandola, Gail Bartlett, *Committee Clerks*

† **attended the Committee**

Public Bill Committee

Tuesday 6 February 2018

[Andrew Rosindell *in the Chair*]

Financial Guidance and Claims Bill [*Lords*]

Clause 24

Transfer to FCA of regulation of claims management services

9.25 am

The Economic Secretary to the Treasury (John Glen): I beg to move Government amendment 3, in clause 24, page 17, line 21, at end insert—

"( ) In section 1H (interpretation provisions for FCA's objectives)—

(a) in subsection (2), at the end of paragraph (c) insert 'or to engage in claims management activity';

(b) in subsection (8), at the appropriate place insert—

'"engage in claims management activity" has the meaning given in section 21;'."

The result of this amendment of the Financial Services and Markets Act 2000 would be that references in the FCA's statutory objectives to "regulated financial services" include services provided by authorised persons in communicating, or approving the communication by others of, invitations to engage in claims management activity.

The Chair: With this it will be convenient to discuss the following:

Government amendment 4.

Clause stand part.

That schedule 4 be the Fourth schedule to the Bill.

New clause 7—*Regulatory principles to be applied in respect of claims management services*—

"(1) In relation to the regulation of claims management services, the FCA must act according to the principles that—

(a) authorised persons should act honestly, fairly and professionally in accordance with the best interests of consumers who are their clients; and

(b) authorised persons should manage conflicts of interest fairly, both between themselves and their clients, and between clients.

(2) In this section, 'authorised person' has the same meaning as in the Financial Services and Markets Act 2000, and 'authorised persons' shall be construed accordingly."

This new clause would introduce a duty of care which would require claims management services to act with the best interests of the customers in mind.

John Glen: It is a pleasure to serve under your chairmanship once again, Mr Rosindell.

Government amendments 3 and 4 are small consequential amendments to bring relevant provisions into line with the changes made by clause 24 to section 21 of the Financial Services and Markets Act 2000. Clause 24 amends FSMA to enable the Financial Conduct Authority to regulate specified activities in relation to claims management services in Great Britain. That includes extending section 21 of FSMA so that the financial promotions regime, which deals with advertising and marketing by regulated firms, applies to claims management activity. Government amendments 3 and 4 will ensure that the financial promotions regime can function effectively. I am sure that Members will agree that it is necessary to make those amendments to ensure that claims management activity is captured.

New clause 7, which was tabled by the hon. Members for Birmingham, Erdington, for Weaver Vale and for Lewisham, Deptford, seeks to ensure that the FCA adheres to a set of regulatory principles in relation to acting in the best interests of consumers and managing conflicts of interest fairly. Aside from the provisions in general consumer law, the FCA already applies rules to firms that conduct regulated activities in relation to their dealings with consumers.

First, regulated firms must adhere to the "principles for businesses", which are fundamental obligations set out in the FCA handbook. Principle 2 requires firms to conduct their business

"with due skill, care and diligence."

Principle 6 requires a firm to

"pay due regard to the interests of its customers and treat them fairly."

Principle 8 sets out that a firm

"must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client."

Secondly, the FCA's "client's best interest" rule states that a firm

"must act honestly, fairly and professionally in accordance with the best interests of its client".

That rule applies to a number of regulated activities. Thirdly, many FCA rules also contain an obligation on firms to take reasonable care for certain regulated activities. Finally, the rules in the FCA handbook are supplemented by more sector-specific rules in various FCA sourcebooks.

Under its existing objectives, when the FCA takes responsibility for the regulation of claims management companies, it will be able to apply its existing principles for businesses and to make any other sector-specific rules that may be necessary. To secure appropriate consumer protection, the FCA supervises against those rules and other provisions, and can take enforcement action against firms where necessary.

Gareth Thomas (Harrow West) (Lab/Co-op): Does the Minister accept that there is a risk that the FCA has been captured by some of the bigger financial interests, and that additional legal protection is therefore required to rebalance how it operates to properly protect the consumer interest?

John Glen: I acknowledge that such concern has been widely expressed throughout the passage of the Bill. However, the FCA has issued total fines of more than £229 million. In its view, its regulatory toolkit is currently sufficient to enable it to fulfil its consumer protection objective. The FCA will consider the precise rules that apply to claims management companies and how they form an effective regulatory regime overall. In doing so, the FCA will need to take into account its statutory objective of securing an appropriate degree of protection for consumers. It will also consult openly and publicly on the proposed rules.

The final regime is not set without consultation or reference to the legitimate concerns raised during the passage of the Bill. I note the hon. Gentleman's observations, but they can be accommodated by the

way in which the FCA will handle the matter. Given that, the Government do not believe the new clause is necessary. According to the explanatory statement, the new clause would introduce a duty of care on claims management companies. I will provide some more detail on that duty of care because I have thought a lot about it and have new points that I want to raise following Second Reading. The Government recognise that there are different views on the merits of introducing a duty of care for financial services providers and what it would mean in practice.

Macmillan Cancer Support has run an excellent campaign drawing attention to that important issue. Last week I met Lynda Thomas and her team from Macmillan in the Treasury to discuss their work and their concerns around the proposed duty of care. They told me of their work with Nationwide and Lloyds. They have been working in partnership with the sector on the role of firms in supporting customers.

Neil Coyle (Bermondsey and Old Southwark) (Lab): I am sure the Minister is aware that the Department for Work and Pensions is again in court facing a legal challenge for changes to welfare and support for disabled people, including people with terminal illnesses such as cancer. Does the Minister not accept that Macmillan's recommendations might go some way to rebuilding disabled people's trust and faith in the Government, including those with terminal illnesses?

John Glen: I acknowledge the case, but it is not for me as a Treasury Minister to comment on it. We need to be clear about the impact of the duty of care and examine it carefully. It is right that we challenge practices that are not up to standard. The question is how we most effectively achieve that without wider collateral damage.

On Macmillan's partnership work in the financial services sector in supporting customers affected by cancer, I pay tribute to the work done and I am grateful for the insights that it brings, but there is huge uncertainty around the potential impact a duty of care could have on both firms and consumers. As with all significant policy changes, it is important to understand all potential pros and cons. I hope Members agree that there would need to be a thorough assessment of the potential impact of a duty of care before any decision is made on a change of policy. For example, a duty of care might enable consumers to bring financial services firms to court. There might be significant cost, complexity and time involved with that, leave alone codifying exactly what the duty of care would mean.

In turn, a duty of care might lead to a negative impact on product provision and approach to innovation, as firms might not want to risk legal challenge based on an untested new concept. Increasing operational costs for firms as a result of a duty of care will inevitably lead to higher prices for consumers, including those in the most vulnerable category. Given those considerations, I hope Members agree that it would not be appropriate for the Government to amend the Bill before a full assessment of the potential impact has been conducted.

The Government believe that the FCA, as the UK's independent conduct regulator for financial services, is best placed to evaluate the merits of a duty of a care. Recognising the pitch and depth of the legitimate concerns raised, last week I met Andrew Bailey and discussed the duty of care with him, and the FCA will discuss it further. Concern has been expressed that, in the determination to issue a discussion paper post-Brexit, there was too much of a delay. I pressed Andrew Bailey on the need to bring that forward. He understands and acknowledges the desire of Parliament for progress on evaluation, so the FCA now proposes to issue a discussion paper later this year. It will invite contributions from all interested parties on the case for and against a duty of care, what form such a provision might take and consequential issues arising from adopting it. That will be an open process, designed to gather views. I am grateful to the FCA for its commitment to accelerate its proposed timetable.

Gareth Thomas: I commend the Minister for pressing Andrew Bailey, because the FCA under his leadership has a reputation of having become a bit pedestrian. However, I do not see why there is a clash between adding the new clause, as my hon. Friend the Member for Birmingham, Erdington proposes, and cracking on with the consultation exercise that the Minister just described. Surely they gel nicely.

John Glen: My view, and the Government's view, is that the pace of that consultation process needs to be stepped up and the FCA needs to respond, with all consequences in mind for vulnerable people with respect to the costs of services and the protections legitimately achieved through the FCA's activity.

I stress that the FCA has a close focus on vulnerability in its broader work. I note the concerns of the hon. Member for Harrow West, but it works in the interests of all consumers of financial services. In October, the FCA published its "Financial Lives" survey, the first annual large-scale survey of 13,000 interviews, designed to add a substantial new source of data to the regulator's understanding of consumers in retail financial markets. Subsequently, it published the "Approach to Consumers" paper, which details how it will measure the effects of its actions on consumers, particularly with respect to access and vulnerability. I and the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Hexham, take this matter seriously. We will challenge the FCA on the further steps that need to be undertaken.

Gareth Thomas: May I push the Minister a little harder? I could understand it if he was arguing that there should be a change to the proposal made by my hon. Friend the Member for Birmingham, Erdington, saying that regulations should be brought forward to give Government the chance to bring in a duty of care once the consultation had taken place. Instead, he seems to be saying, "Let's not bother putting anything in the Bill that gives us the power to bring that in later. Let's just wait and see—mañana!—when the FCA can be bothered to get round to the consultation exercise. Then we might look at bringing forward primary legislation." My worry is that an opportunity for primary legislation will not come around again. I therefore press him to see whether he could be a little more sympathetic to the case my hon. Friend will advance.

John Glen: I am grateful to the hon. Gentleman for his remarks. I would not characterise the Government's position as, "Let it happen mañana and take our hands

[John Glen]

off the tiller." I met Andrew Bailey, and this was not his starting point. It is for Ministers to talk to the FCA, take the views of Parliament as clearly expressed by Members on both sides of the House, and use that pressure to force the FCA to address the issue in a comprehensive way that deals with the real experience of our constituents.

The Government have set out that process, and I have set out the rules and facilities that exist for the FCA. I am convinced there is a process in place that will enhance the necessary protection.

Neil Coyle: There are some interesting parallels. Where the Government have a clear objective and aim, as they did in welfare reform, consultations are rushed through by Departments. That delivers inadequate legislation, which is why the Government ended up in court, as has been mentioned. In this case, the Government are passing the buck to the FCA, even though Macmillan has identified a problem, whereas on terror insurance legislation, where the ball is back in the Government's court and could have been covered by the Bill, they have left a gaping hole, which leaves businesses such as those affected in my constituency in June last year facing potential damages because of the inadequacy of legislation. Why have the Government not opened consultation on that?

The Chair: Order. It is not permitted to talk about a non-selected amendment in the context of this discussion.

Neil Coyle: With respect, Mr Rosindell, I was talking about Government consultations that have a clear aim.

The Chair: We will move on.

John Glen: I cannot talk about areas outside my responsibility, but I can address the new clause. I assure the hon. Member for Bermondsey and Old Southwark that I am engaging closely with the FCA and have already achieved an acceleration of its timetable for engagement. It is important that his constituents' concerns, which he raised previously, are addressed, and I expect the FCA to take steps in that direction urgently.

I was delighted to hear from Macmillan that it has a tremendous working relationship with the FCA. The two organisations are engaged in dialogue, and last year they worked closely on the call for input on the challenges firms face in providing travel insurance for consumers who have had cancer. The FCA will be publishing a feedback statement and its next steps in due course. Dialogue is taking place, and there is responsiveness. For those reasons, it is not appropriate to include these regulatory principles in the Bill, so I request that the hon. Member for Birmingham, Erdington withdraw the amendment.

Jack Dromey (Birmingham, Erdington) (Lab): On a point of order, Mr Rosindell. I seek your guidance. I will be speaking to Opposition new clause 7, but I note that Government amendments 3 and 4 are unobjectionable, so I may go straight on to making my remarks about new clause 7.

The Chair: The hon. Gentleman may, of course, speak to as many of the amendments within the group as he chooses, but he must stick to the group.

Jack Dromey: I will not depart from your ruling that it is not appropriate to debate terror insurance today. All I will say is that we would like to engage with the Government during the Bill's next stages, because my hon. Friend the Member for Bermondsey and Old Southwark has identified a significant problem for a number of those who paid a heavy price as a consequence of the terrorist attacks. We hope that the Government are prepared to engage at the next stages accordingly.

As I said, Government amendments 3 and 4 are unobjectionable, but I want to make some preliminary comments about what the Minister said. First, I note that dialogue has taken place with the FCA. My hon. Friend the Member for Harrow West is right to say that the FCA is sometimes captured by big interests in the industry, and that sometimes it has been known to be not exactly the quickest organisation to arrive at a conclusion.

I will say a bit more about why the new clause matters in due course. My hon. Friend the Member for Bermondsey and Old Southwark is absolutely right to say that it is about protecting the vulnerable, in particular at a time of crisis in their lives. It is welcome that the Minister has met with Macmillan—an admirable organisation. Again, I will come on to say something about its representations.

My final point about what the Minister said is about the substance of what should eventually be done. This might be a matter that ends up before the courts. If we ultimately have a duty of care in legislation and providers do not abide by it, they will end up in court. This is about sending an unmistakable message.

The purpose of new clause 7 is to introduce a duty of care requiring claims management services to act with the customers' best interests in mind, not least customers who find themselves in a vulnerable situation. Due to the current scope of the Bill, the clause relates just to claims management services, but we hope that the Government introduce their own amendment to introduce a duty of care for all financial services firms. As hon. Members will be aware, calls for the introduction of a duty of care received a great deal of support from across the House on Second Reading, and a similar amendment in the other place likewise received strong cross-party support. As the Bill recognises, ensuring that people have access to the right help and advice as soon as possible is essential to stopping financial problems escalating. For people who are ill or considered vulnerable in other ways, that becomes ever more important.

9.45 am

Research by the excellent Macmillan Cancer Support shows that four out of five people with cancer are affected financially by their diagnosis; they are on average £570 a month worse off, as a result of increased costs and loss of income. As one would expect, the impact of that leaves many people struggling to keep up with their financial commitments, and we have all seen such cases in our constituencies. I remember one heartbreaking case of somebody who had worked for 44 years and contracted cancer. The way that he was treated by his financial services provider, at a time of crisis in his life and that of his family, was nothing short of scandalous.

As providers of mortgages and other key financial commitments, banks and building societies have a huge influence—good or bad—on the financial wellbeing of many households. That gives them an unrivalled ability to reach out and support people who are affected by the financial impact of cancer and other health conditions and disabilities. When the right support is put in place, that can lead to improved outcomes for customers and help them to manage their financial commitments better. However, research from Macmillan Cancer Support shows that a number of problems still exist, and there is a lack of consistency in the support offered to people when they seek help. For example, more than one quarter of people who disclosed their cancer diagnosis to their bank were dissatisfied with how the bank responded. Particular problems included customers having to repeat their cancer diagnosis several times to different staff—that can be very distressing. Some staff lacked specific knowledge or were not comfortable discussing cancer with the customer, and others did not have knowledge about the products.

Mrs Pauline Latham (Mid Derbyshire) (Con): What the hon. Gentleman says is interesting, but is this really a matter for Government? Is it not for the banks to address—to ensure that their staff are trained and sympathetic to people with a terminal diagnosis? It is not something that we can legislate for, but the banks can do something about it.

Jack Dromey: I have the greatest respect for the hon. Lady, but I could not disagree more. This is about sending an unmistakable message about a duty of care, which in those circumstances there is a legal obligation to deliver. It also means that banks must train their staff accordingly. A duty of care cannot be just a resolution passed by this House; it must be enacted at the next stages by all providers.

Mrs Latham: It is for the banks to train their staff. We cannot train staff from different institutions. We can send a message, but banks must train their own staff to ensure that they act appropriately with people who have a terminal diagnosis.

Jack Dromey: We in this House impose obligations in the public interest that must be delivered. We need sensitivity for those going through the trauma of cancer, and having a duty of care sends an unmistakable message to the board of an organisation that that duty of care must be delivered, and it must be enacted with appropriate training by members of staff.

Huw Merriman (Bexhill and Battle) (Con): The hon. Gentleman is being very patient in giving way, but to continue the thread started by my hon. Friend the Member for Mid Derbyshire (Mrs Latham), I spent many years working as a cashier on the frontline in banks and building societies, in between going to university—it was about five years in total. The staff were absolutely equipped to deal with such matters—indeed, they had to be, not least when probate matters were being dealt with. Those staff had to be incredibly sensitive, and I think the hon. Gentleman is rather getting the industry wrong, as far as the sensitivity of those staff is concerned.

Jack Dromey: In that case, the hon. Gentleman is saying that Macmillan is getting it wrong. The Minister has engaged with Macmillan with an open mind—I warmly welcome that—and has heard the concerns direct, based on firm evidence, that at the moment too many people suffering from cancer are not treated with the respect and sensitivity they deserve.

Huw Merriman: I have another example from a cancer perspective, which I will not go into; I work very closely with Macmillan on a personal basis, but that is probably better left to one side. What I will say is that when this House is prescriptive in legislation, rather than letting organisations deal with issues in the manner that they may be best equipped to do, it does not always work out as intended.

Jack Dromey: With the greatest respect, the Government are prescriptive the whole time, and I think this is an area ripe for prescription. I stress again that we need to send an unmistakable message that regulated providers have certain obligations that fall upon them. There are already obligations imposed under law, for example on financial probity. We should add to those a duty of care to customers, particularly when they are suffering from or dying from cancer. I should have thought that was entirely unobjectionable. Macmillan is absolutely right and the Minister has been right to respond to its representations. I will come in a moment to what I hope will happen at the next stages.

To return to my point, staff did not have knowledge about the products and the help available to people affected by cancer. If we are to tackle such problems, the provision of appropriate support, flexibility in policies and procedures, and ensuring that staff are appropriately trained to support vulnerable customers need to be at the heart of banking culture.

One of the things that struck me most in the findings was that only one in 10 people with cancer had told their bank about their diagnosis in the first place. Many people with cancer still do not think their bank will be able to help them, while others worry that telling the bank will have negative consequences, so they are reluctant to disclose their diagnosis. Regardless of whether that negative perception is justified on all occasions, it represents a serious barrier to people seeking help early and tells us that the existing rules are not adequate. Despite some provisions in the area, the banking sector is still a long way off the point where meeting the needs of vulnerable customers is at the heart of corporate culture, hence the clear evidence from Macmillan.

The financial services consumer panel has noted that the regulatory principle of treating customers fairly does not adequately ensure that firms exercise appropriate levels of care towards their customers. It is interesting that the FCA's own panel concluded that. If banks and building societies had a legal duty of care towards their customers, it would give people with cancer confidence to disclose their diagnosis, knowing that they could trust their bank to act in their best interests.

Consumers are also demanding action in this area. More than 20,000 people have signed an open letter from Macmillan Nurse Miranda, calling for a duty of care to be introduced. I urge the Government to look at the recommendation made by the House of Lords

[Jack Dromey]

Financial Exclusion Committee on a duty of care, which has been strongly evidenced by Macmillan Cancer Support. The Committee concluded that, as first recommended by the financial services consumer panel, the Government should amend the Financial Services and Markets Act 2000

"to introduce a requirement for the FCA to make rules setting out a reasonable duty of care for financial services providers to exercise towards their customers."

I appreciate that any change as significant as this must be subject to proper consideration and consultation, as the Minister said. It is therefore welcome that the FCA has recognised that and is committed to publishing a discussion paper on the issue. It is welcome that the Minister has pressed the FCA to bring that forward, and I will come on to timescale in a moment. However, the Government and the FCA have said that this must wait until after the withdrawal from the EU becomes clear. I think that now, as the Minister said earlier, that may no longer be the case, not least because who knows when we will withdraw from the European Union—

John Glen: We are very clear on that.

Jack Dromey: There is a certain lack of clarity on the part of the Government about that end. Given that the introduction of a duty of care would still require legislation, when can we expect it to be introduced if we do not use the opportunity presented by the Bill? Will the Minister clearly set out his view as to the likely timescale for the introduction of a duty of care, from the initial consultation process through to the point at which consumers begin to benefit from any change? Given the evidence that has been presented about the need for further support for vulnerable customers, is a prolonged delay acceptable? I urge the Minister to take note of the breadth of support for this issue and the strong evidence presented on the need for action. I suggest that the Government reflect on that further and bring forward suitable proposals on Report.

My final point is that I sense a joint determination to act, and that is welcome. We should act, but what does that mean in terms of both substance and timescale? We will not press the new clause to a vote but I invite the Minister to undertake that he will come back on Report to set out with some clarity the likely timescale and substance of what the Government might eventually do.

John Glen: I am grateful to the hon. Gentleman for his comments. There is broad agreement on how serious the issue is, but I would characterise the Government's approach as wanting not to send a message but to secure an outcome. They want to secure an outcome when they understand exactly what the impact of the changes might be.

As I said in some of my earlier remarks, there is huge uncertainty about how a potential duty of care would impact on firms and consumers. That is why I am very pleased with the accelerated timetable. I acknowledge that there is no absolute clarity about what will flow from that, but that is because we do not know what the outcome of the discussion will be. However, I take on board the hon. Gentleman's concerns and I acknowledge his sensitivity to what Macmillan has said—it is unacceptable that 11% of people who have cancer tell their financial service provider—but it is also true, as my hon. Friend the Member for Bexhill and Battle said, that not all banks are doing a poor job. I heard from Macmillan about the wonderful work that Nationwide has done, and I think it is for other banks to reflect on what they need to do to change their behaviours.

Gareth Thomas: Nationwide is not a bank; it is a building society, with a very different tradition to the corporate interests of the big banks. I make that as an aside. Although I am not normally a fan of secondary legislation as opposed to primary legislation, I wanted to press the Minister: will he consider the broader point made by my hon. Friend the Member for Birmingham, Erdington—that there might be a case, surely, for the Minister to consider bringing forward on Report the scope for secondary legislation to bring in such a duty of care once the FCA, when it can be bothered, finally produces its consultation document?

John Glen: I am grateful for the hon. Gentleman's comments, but I do not share his characterisation of the FCA's willingness to engage on this. As I set out, the FCA is engaged in dialogue with Macmillan and has now accelerated the timetable for dealing with the subject. I will reflect on the comments made and see what can be said to give more assurance further on, but I am convinced that the dialogue with the FCA will lead to a proportionate outcome that takes full account of the impact. I therefore reiterate my hope that the new clause will be withdrawn.

Jack Dromey: On the basis of what the Minister has said—that he will come back on Report—we will not be pressing new clause 7.

Amendment 3 agreed to.

Amendment made: 4, in clause 24, page 18, line 7, at end insert—

"( ) In section 137R (financial promotion rules)—

(a) in subsection (1), omit the "or" at the end of paragraph (a) and after that paragraph insert—

'(aa) to engage in claims management activity, or';

(b) in subsection (6), for 'has' substitute 'and "engage in claims management activity" have'."—*(John Glen.)*

The result of this amendment of the Financial Services and Markets Act 2000 would be that the FCA may make rules about the communication, or the approval of another person's communications, by authorised persons of invitations or inducements to engage in claims management activity.

Clause 24, as amended, ordered to stand part of the Bill.

Schedule 4 agreed to.

Schedule 5

Regulation of claims management services: transitional provision

10 am

John Glen: I beg to move amendment 20, page 41, line 13, leave out from "to" to end of line 15 and insert "a person falling within paragraph 1A,"

This amendment and amendment 22 would enable the FCA to obtain information and documents from claims management companies operating or previously operating in Scotland if the FCA considers that it needs the information or documentation in preparation for its role as the regulator of claims management companies.

The Chair: With this it will be convenient to discuss the following:

Government amendments 21 and 22.

That schedule 5 be the Fifth schedule to the Bill.

John Glen: Amendments 20 to 22 are technical amendments that extend the FCA's data-gathering powers to Scotland. They amend schedule 5, which contains transitional provisions to extend the FCA's information-gathering powers; to enable it to take preparatory steps, such as to consult on rules; and to enable it to adopt rules made by the current regulator. That ensures that the FCA can obtain information and documents from claims management companies operating or previously operating in Scotland, if the FCA considers that it needs the information or documentation in preparation for its role as the regulator of claims management companies.

The amendments will help ensure that Scottish consumers are adequately protected when the regulation for financial services claims management companies is transferred to the FCA. I am sure that hon. Members would agree that it is right to ensure that the regulator is suitably prepared to regulate Scottish claims management companies, and will agree with the amendments.

Jack Dromey: It is a sensible move to give the FCA those extended powers. Therefore, we note the proposed amendments. Our colleague from the Scottish National party, the hon. Member for Paisley and Renfrewshire South, might wish to comment, but this seems to us a logical and sensible proposal.

Mhairi Black (Paisley and Renfrewshire South) (SNP): I agree.

Amendment 20 agreed to.

Amendments made: 21, in schedule 5, page 41, line 23, leave out from "a" to end of line 24 and insert "person falling within paragraph 1B."

This amendment and amendment 22 would enable the FCA to obtain reports from claims management companies operating in Scotland if the FCA considers that it needs the report in preparation for its role as the regulator of claims management companies.

Amendment 22, in schedule 5, page 41, line 24, at end insert—

"1A A person falls within this paragraph if the person—

(a) is or at any time was authorised under section 5(1)(a) of the Compensation Act 2006 (provision of regulated claims management services), or

(b) is, or at any time was, providing services in Scotland which the person would be, or would have been, prohibited from providing in England and Wales by section 4(1) of the Compensation Act 2006 unless authorised under section 5(1)(a) of that Act.

1B A person falls within this paragraph if the person—

(a) is authorised under section 5(1)(a) of the Compensation Act 2006 (provision of regulated claims management services), or

(b) is providing services in Scotland which the person would be prohibited from providing in England and Wales by section 4(1) of the Compensation Act 2006 unless authorised under section 5(1)(a) of that Act."—*(John Glen.)*

See the explanation for amendments 20 and 21.

Schedule 5, as amended, agreed to.

Clause 25

POWER OF FCA TO MAKE RULES RESTRICTING CHARGES FOR CLAIMS MANAGEMENT SERVICES

Question proposed, That the clause stand part of the Bill.

John Glen: Clause 25 inserts a new section into the Financial Services and Markets Act 2000 to give the FCA the power to cap the amount that firms can charge customers for the claims management services it regulates. The clause also places a duty on the FCA to make rules restricting charges for claims for financial services or products. The Government believe that placing a duty on the FCA to cap the amount that firms can charge consumers for services related to financial services claims is the only satisfactory way of ensuring that consumers receive good value for money. This is especially true given that consumers can, for example, take complaints about the mis-selling of payment protection insurance to the financial ombudsman for free. In addition, the general fee-capping power provided by the clause gives the FCA the necessary flexibility to respond to future changes in the claims management sector.

Jack Dromey: I would like to make two points. First, the proposed changes are unobjectionable and we note them. Secondly, I will, however, be speaking to amendments 47 and 48 in respect of allowing consumers to keep 100% of their PPI compensation, but we will come to those in due course.

Question put and agreed to.

Clause 25 accordingly ordered to stand part of the Bill.

Clause 26

PPI CLAIMS AND CHARGES FOR CLAIMS MANAGEMENT SERVICES: GENERAL

John Glen: I beg to move amendment 5, in clause 26, page 21, line 17, leave out "and 28" and insert

"to (PPI claims: interim restriction on charges imposed by legal practitioners after transfer of regulation to FCA)".

This amendment would apply the explanation of terms given in clause 26 to the new clause inserted by NC3.

The Chair: With this it will be convenient to discuss the following:

Government amendment 6.

Clause stand part.

Government new clause 3—*PPI claims: interim restriction on charges imposed by legal practitioners after transfer of regulation to FCA.*

John Glen: These amendments ensure that legal services regulators can continue to impose fee restrictions for PPI claims from the point at which the transfer of regulation of CMCs to the FCA takes place. This will be effective in the case of the Law Society of England and Wales until it implements its own rules on fee capping and, in the case of the General Council of the Bar and the Chartered Institute of Legal Executives, until 29 April 2020.

[John Glen]

The interim fee cap will be set at 20% of the claim value, excluding VAT. It will apply to CMCs and legal services providers, and will be enforced by the relevant regulators from two months after the Bill receives Royal Assent. The interim fee cap will ensure fair and proportionate prices for consumers using claims management services for mis-sold PPI claims.

Government amendments 5 and 6 and new clause 3 ensure that the interim fee cap provisions introduced as a concessionary amendment in the House of Lords work together with the other Government amendments we are discussing today, and provide the legal services regulators with the power to restrict fees in relation to claim management services. The amendments will ensure that consumers are equally protected from excessive fees when using a legal services provider to make a claim for mis-sold PPI, and that there is continuity of coverage for the fee cap throughout the transfer of regulation. This is similar to the existing provisions in the Bill in relation to the FCA. I hope that all Members will agree that these are sensible and desirable amendments for the purposes of consumer protection.

Jack Dromey: Briefly, I have two related points. First, we agree that the legal services regulators should be given those powers. Secondly, and crucially, the objective is to protect consumers. I once again refer to amendments 47 and 48, which I will speak to shortly.

Amendment 5 agreed to.

Amendment made: 6, in clause 26, page 22, line 11, at end insert—

", and

(c) so far as relevant for the purposes of section (PPI claims: interim restriction on charges imposed by legal practitioners after transfer of regulation to FCA), to be read as referring to any service which is a relevant claims management activity (within the meaning given by subsection (5) of that section)."—*(John Glen.)*

This amendment would define what references to "regulated services" in clause 26 mean when relevant for the purposes of the new clause inserted by NC3.

Clause 26, as amended, ordered to stand part of the Bill.

Clause 27

PPI claims: interim restriction on charges before transfer of regulation to FCA

Jack Dromey: I beg to move amendment 47, in clause 27, page 22, line 30, leave out subsections (1) to (4) and insert—

"(1) A regulated person—

(a) must not charge a claimant for regulated claims management services provided in connection with the claimant's PPI claim, unless those charges are made in accordance with section 26(4); and

(b) must not enter into an agreement that provides for the payment by a claimant, for regulated claims management services provided in connection with the claimant's PPI claim, of charges which would breach, or are capable of breaching, the prohibition in paragraph (a).

(2) All charges incurred by a regulated person in the course of providing regulated claims management services in connection with a claimant's PPI claim must be paid by the person against whom the claimant's successful PPI claim was made.

(3) A regulated person—

(a) must not charge a person for regulated claims management services provided in connection with a claimant's PPI claim, an amount which exceeds the fee cap for the claim; and

(b) must not enter into an agreement that provides for the payment by a person, for regulated claims management services provided in connection with the claimant's PPI claim, of charges which would breach, or are capable of breaching, the prohibition in paragraph (a).

(4) A breach of subsection (1) is not actionable as a breach of statutory duty; but

(a) any payment made by a claimant in breach of subsection (1) is recoverable by the claimant; and

(b) any agreement entered into in breach of subsection (1)(b) is not enforceable to the extent it provides for a payment that breaches or is capable of breaching the prohibition in subsection (1)(a).

(4A) A breach of subsection (3) is not actionable as a breach of statutory duty; but

(a) any payment made by the person against whom the claimant's successful PPI claim was made, in excess of the fee cap for a PPI claim is recoverable by the person; and

(b) any agreement entered into in breach of subsection (3)(b) is not enforceable to the extent it provides for a payment that breaches or is capable of breaching the prohibition in subsection (3)(a).

(4B) In subsections (4) and (4A) "payment" means a payment of charges for regulated claims services provided in connection with the PPI claim.

(4C) A relevant regulator—

(a) must ensure that it has appropriate arrangements for monitoring and enforcing compliance with subsections (1) and (3) as they apply to the regulated persons for whom it is the relevant regulator;

(b) may make rules for the purpose of doing so (which may include provision applying, in relation to breaches of subsections (1) and (3), functions the relevant regulator has in relation to breaches of another restriction.)".

This amendment and Amendment 48 would mean that firms would be required to pay CMC costs for PPI claims where the firm is found to be at fault and the consumer has used a CMC rather than claim direct. This would only apply for the interim period until the new FCA regulations come into force, or until August 2019 which is the deadline for making PPI claims, whichever is sooner.

The Chair: With this it will be convenient to discuss amendment 48, in clause 28, page 24, line 34, leave out subsections (2) to (4) and insert—

"(2) The rule is that an authorised person—

(a) must not charge a claimant, for a service which is a regulated claims management activity provided in connection with the claimant's PPI claim, unless those charges are made in accordance with section 26(4); and

(b) must not enter into an agreement that provides for the payment by a claimant, for a service which is a regulated claims management activity provided in connection with the claimant's PPI claim, of charges which would breach, or are capable of breaching, the prohibition in paragraph (a).

(3) All charges incurred by an authorised person in the course of providing regulated claims management activity in connection with a claimant's PPI claim must be paid by the person against whom that claimant's successful PPI claim was made.

(4) An authorised person—

(a) must not charge a person, for a service which is a regulated claims management activity provided in connection with the claimant's PPI claim, an amount which exceeds the fee cap for the claim; and

(b) must not enter into an agreement that provides for the payment by a person, for a service which is a regulated claims management activity provided in connection with the claimant's PPI claim, of charges which would breach, or are capable of breaching, the prohibition in paragraph (a).

(4A) A breach of subsection (2) is not actionable as a breach of statutory duty (despite section 138D(2) of the Financial Services and Markets Act 2000) but—

(a) any payment made by a claimant in breach of subsection (2) is recoverable by the claimant; and

(b) any agreement entered into in breach of subsection (2)(b) is not enforceable to the extent it provides for a payment that breaches or is capable of breaching the prohibition in subsection (2)(a).

(4B) A breach of subsection (4) is not actionable as a breach of statutory duty (despite section 138D(2) of the Financial Services and Markets Act 2000) but—

(a) any payment made by a person in excess of the fee cap for a PPI claim is recoverable by the person; and

(b) any agreement entered into in breach of subsection (4)(b) is not enforceable to the extent it provides for a payment that breaches or is capable of breaching the prohibition in subsection (4)(a).

(4C) In subsections (4A) and (4B) "payment" means a payment of charges for regulated claims services provided in connection with the PPI claim."

This amendment and Amendment 47 would mean that firms would be required to pay CMC costs for PPI claims where the firm is found to be at fault and the consumer has used a CMC rather than claim direct. This would only apply for the interim period until the new FCA regulations come into force, or until August 2019 which is the deadline for making PPI claims, whichever is sooner.

Jack Dromey: The amendment would allow consumers to keep 100% of the PPI compensation. The Government introduced an interim cap on the fees that claims management companies could charge consumers in relation to payment protection insurance claims. That was a welcome move in the right direction, but it does not go far enough to protect consumers from paying disproportionately high fees for what is often very little work. The Ministry of Justice estimates that the average amount of commission charged to consumers by CMCs is 28% plus VAT. The FCA estimates that the average payout for PPI mis-selling is around £1,700 which means that a CMC would, on average, charge a successful claimant £476 plus VAT.

Although the proposed fee cap will reduce the amount that consumers have to pay to CMCs, it would still mean an average charge of £340, with VAT on top. If the Government want to take meaningful action to protect consumers from high fees, they should propose a solution that allows consumers to keep 100% of their PPI compensation. They should require firms to pay CMC costs for PPI claims—capped at 20% and VAT—when they are at fault and the consumer has used a CMC rather than claiming directly.

This measure would apply only for the interim period until new FCA regulations come into force, or until August 2019, which is the deadline for making PPI claims, whichever is sooner. This would incentivise firms still paying compensation—and it is shameful that they still are; getting justice for the people concerned is like pulling teeth—to proactively reach out and encourage consumers to make claims directly to them, and I am bound to say that it is something that should and must happen. It would also fully protect consumers from paying high charges to CMCs.

In summary, the Government's proposal is a welcome step in the right direction, but I would welcome an explanation from the Minister as to why he cannot take this further step that would see those that were wronged receive 100% of the compensation so that this wrong is put right.

John Glen: I am grateful to the hon. Gentleman for setting out amendments 47 and 48, which seek to make firms at fault pay the fees for claims management services used to pursue successful PPI claims. I understand that this approach is intended to incentivise firms to be more proactive in offering compensation when dealing with consumer complaints. However, it could encourage more speculative and unmeritorious claims, adding waste to the redress system, to the detriment of consumers and the industry. The amendment also has the potential to allow CMCs to charge consumers directly when they are unsuccessful in pursuing a PPI claim. This would serve only to add to the incentives for taking forward speculative claims, and I am not sure that that is the Opposition's intention.

I also do not believe that the measure is necessary. The FCA is already taking direct action to ensure that firms do not make it difficult for consumers to claim compensation, and there have been significant improvements in the handling of PPI complaints by firms. By September 2017, firms were upholding around 80% of claims. Since January 2011, firms have handled over 20.8 million PPI complainants and paid over £29 billion in redress to consumers found to have been mis-sold a PPI policy, and rightly so.

In addition, as of March 2017 firms had sent over 5.5 million letters to customers they identified as being at high risk of having suffered a past mis-sale and who had not complained, inviting them to do so. The FCA also launched a two-year consumer awareness campaign in August 2017, paid for by the relevant firms, to raise awareness of the deadline and encourage consumers to decide whether to complain, as well as highlighting free routes for pursuing a claim.

Finally, it is important to note that consumers do not need to use the CMCs to make a claim. They can go directly to the relevant firm and subsequently to the Financial Ombudsman Service for free. Making a complaint is a simple process that many people will be able to do for themselves. A number of sources of information are available to help individuals to understand how to make a complaint, including websites and phone lines for the FCA and Financial Ombudsman Service. In the light of these arguments, I encourage the Opposition spokesman to withdraw the amendment.

10.15 am

Jack Dromey: I will make two points in response. First, the Minister is right to say that there are channels other than CMCs, which we will come to later. Until such time as we ban cold calling by CMCs, there will continue to be an industry of CMCs out there ringing people up to ask, "Have you got a PPI claim?"

[Jack Dromey]

Secondly, I do not see the problem in sending an unmistakable message to those who have wronged the public that they must put that right, and that they must do so proactively. Rather than sitting on the knowledge of a lot of mis-selling, failing to put that right and waiting until a claim is made, the better approach in the public interest would be to send the unmistakable message that it is better to settle with those who have been wronged, or else.

I am not completely convinced by the Minister's reply, but I am convinced that he—a decent man with an open mind—will reflect on this further. On that basis, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss clause 28 stand part.

John Glen: Clause 27 deals with the application and enforcement of the interim fee cap before the transfer of claims management regulation to the FCA. It states that the cap will be implemented by the claims management regulation unit and legal services regulators in England and Wales. It also defines the first interim period as the period beginning with the day the cap comes into force, two months after Royal Assent, until the day before regulation transfers to the FCA. It is clear that the clause plays an integral part in establishing the interim fee cap.

Question put and agreed to.

Clause 27 accordingly ordered to stand part of the Bill.

Clause 28 ordered to stand part of the Bill.

Clause 29

Extent

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): I beg to move amendment 7, in clause 29, page 25, line 32, leave out from beginning to "extends" and insert "Part 1, other than the provisions mentioned in subsections (2) to (3B),"

This amendment makes a minor drafting change, restructuring the extent clause, in consequence of the changes to that clause made by Amendment 8 and the amendments relating to Part 2.

The Chair: With this it will be convenient to discuss the following:

Government amendments 8 to 16.

Clause stand part.

Clause 30 stand part.

Guy Opperman: It is pleasure to serve under your chairmanship once again, Mr Rosindell. Amendments 7 to 16 are consequential to main amendments that the Committee has already made. Clause 30 allows the provisions of the Bill to be enacted at the appropriate times, some in relation to part 1 and some to part 2.

Gareth Thomas: I have concerns about clause 30. If the Bill is put on the statute book as drafted, with the current commencement provisions in clause 30, the new financial guidance body might not be as effective as we would all have hoped. Ministers might want to address these concerns and reflect on whether the commencement provisions are still appropriate.

The first concern is whether the financial guidance body has access to sufficient data to help guide it on the allocation of the debt advice funding that will continue to be available as a result of the levy on banks. Unlike in the United States, we do not have in law a comprehensive requirement that banks and other lenders have to provide clear datasets to Government and regulators on where, and at what level, debt is being incurred. Therefore, one cannot track exactly where the most indebted parts of the country are.

I raise that concern because a number of years ago I had the opportunity to visit the estate of Thamesmead, which straddles the boroughs of Bexley and Greenwich. Thamesmead is an estate of about 55,000 houses, but it had no bank branch at all. As a result, the only lenders available were payday lenders and other high-cost providers of credit.

The Chair: Order. The hon. Gentleman appears to be speaking not to the amendment before us, but to one that has previously been debated. I remind all hon. Members that they must stick to the amendments before the Committee at this stage.

Gareth Thomas: I am grateful for your guidance, Mr Rosindell. I am concerned that we should not rush to commence the legislation until we have had an assurance that the new financial guidance body will have accurate data about which parts of the country have the highest levels of debt and the highest levels of cost. I am seeking to use this debate on clause 30 stand part to ask Ministers what confidence they have that the new body will be able, without further legal changes, to know where the most highly indebted parts of the country are, and therefore where the most debt advice funding should be allocated.

One of the great contrasts between this country and our great ally, the United States of America, is that there is provision in American law for banks, building societies and other lenders to have to report to bodies what they are lending and at what rate. Such a provision would allow the new financial guidance body to work out which areas might need a higher level of debt advice funding.

The second reason why I gently suggest that we should not rush to commence the Bill is that I believe the Minister should reflect—I gently press him to do so—on whether credit unions, which are a key tool for tackling the level of indebtedness in this country, have all the powers they need to support the new financial guidance body to take the necessary action to bring indebtedness down. Clearly, we want to ensure that there is still access to credit, but we want it to be affordable.

The third and final reason why I gently suggest Ministers should not rush to commence the Bill is that I believe they should check whether some of the worst,

highest cost lenders, such as BrightHouse, pay an appropriate levy, under the provisions of previous Bills, to fund debt advice. It certainly seems to me—

The Chair: Order. The commencement clause does not give us the ability to discuss anything we wish to discuss. We need to stick clearly to the amendments before us, rather than using this as a way to discuss other matters.

Gareth Thomas: I am extremely grateful to you, Mr Rosindell, because you made your intervention just as I was drawing my remarks to an end. Given your great act of charity, I have made the three points I wanted to make, and I now look to the Minister to address my concerns.

Guy Opperman: That was undoubtedly the most ingenious way of creating a submission. I have to confess that, when I looked at the commencement order that I have to speak to, I did not expect to have to answer three specific points, but I hope I can give the hon. Gentleman a detailed answer. I assure him that if I fail in that task, I will give him a definitive answer next Monday, when we will meet to discuss these matters.

Let me take the hon. Gentleman's points in reverse order. BrightHouse will be covered by the levy for the single financial guidance body. I believe that I will be able to give him more detail when I see him in 10 days' time.

The hon. Gentleman will know that I founded and built up a credit union. I think I am the only MP to have been mad enough to do so—the grey hair I am rapidly acquiring is due to that mad endeavour, of which I am extremely proud. I am no longer specifically involved in it, but both I and my hon. Friend the Member for Salisbury are passionately committed to credit unions. We will review the nature of credit unions and how they are provided for statutorily under the Credit Unions Act 1979. I am happy to discuss that with the hon. Gentleman separately.

Let me make three points on access to data. First, the Money Advice Service already performs that service by creating a data bank and an information process by which it can judge the way ahead. Secondly, clause 18 specifically addresses requirements for the disclosure and interaction of data between the various bodies to ensure that the point the hon. Gentleman raised is addressed. Thirdly, with regard to the Bill as a whole, FCA work is also going on to obtain a quarterly dataset. Both the FCA and the Money Advice Service are doing that. I will happily reply in more detail to the three points that he rightly, and very ingeniously, put to me.

Gareth Thomas: I am grateful to the Minister for his generous response. Perhaps he would be willing to look kindly on a letter setting out some of the concerns about the dataset that is currently provided. I gently suggest that Ministers might engage with UK Finance to encourage the release of further data to help make that a more useful exercise.

Guy Opperman: I would be delighted to receive such a letter. I commend the Government amendments to the Committee.

Amendment 7 agreed to.

Amendments made: 8, in clause 29, page 25, line 37, at end insert—

"(3A) In section (Occupational pension schemes: requirements to recommend guidance etc)—

(a) subsections (1) to (5) extend to England and Wales and Scotland;

(b) subsections (6) to (9) extend to Northern Ireland.

(3B) Paragraph 25 of Schedule 3 extends to England and Wales and Scotland."

New subsection (3A) updates the extent clause so that the amendments to the Pensions Schemes Act 1993 in NC2 extend only to England and Wales and Scotland and the amendments to the Pension Schemes (Northern Ireland) Act 1993 extend only to Northern Ireland. New subsection (3B) contains text previously in subsection (6) in consequence of restructuring this clause.

Amendment 9, in clause 29, page 25, line 38, leave out subsections (4) and (5) and insert—

"(4) Part 2, other than the provisions mentioned in subsections (5) and (5A), extends to England and Wales and Scotland.

(5) The following provisions extend to England and Wales—

(a) section24(12) and Schedule4;

(b) section27;

(c) section (PPI claims: interim restriction on charges imposed by legal practitioners after transfer of regulation to FCA).

(5A) Section (Cold calling about claims management services) extends to England and Wales, Scotland and Northern Ireland."

This amends the extent clause, so that the new clause inserted by NC3 extends to England and Wales only, and the new clause inserted by NC6 extends to England and Wales, Scotland and Northern Ireland.

Amendment 10, in clause 29, page 25, line 42, leave out subsection (6) and insert—

"( ) This Part extends to England and Wales, Scotland and Northern Ireland." —*(Guy Opperman.)*

This amendment contains a minor drafting change consequential upon the restructuring of the extent clause.

Clause 29, as amended, ordered to stand part of the Bill.

Clause 30

COMMENCEMENT

Amendments made: 11, in clause 30, page 26, line 13, at end insert—

"(1A) Subsections (6) to (9) of section (Occupational pension schemes: requirements to recommend guidance etc) come into force on a day appointed by order made by the Department for Communities in Northern Ireland.

(1B) An order under subsection (1A) may make—

(a) transitional, transitory and saving provision in connection with the coming into force of any provision in section (Occupational pension schemes: requirements to recommend guidance etc)(6) to (9);

(b) incidental and supplementary provision, and

(c) different provision for different purposes,

and the power to make such an order is exercisable by statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12))."

This amendment gives the power to bring into force the provisions amending the Pension Schemes (Northern Ireland) Act 1993 in the new clause inserted by NC2 to the Department for Communities in Northern Ireland.

Amendment 12, in clause 30, page 26, line 14, leave out "28" and insert "(PPI claims: interim restriction on charges imposed by legal practitioners after transfer of regulation to FCA)"

This amends the commencement clause, so that the new clause inserted by NC3 comes into force 2 months after Royal Assent.

Amendment 13, in clause 30, page 26, line 21, at end insert "except section (Occupational pension schemes: requirements to recommend guidance etc) (6) to (9)"

This amendment is consequential on amendment 11.

Amendment 14, in clause 30, page 26, line 29, at end insert ", and

(ii) section (Cold calling about claims management services)"

This amends the commencement clause to provide for NC6 about cold calling in relation to claims management services to be brought into force on a day appointed in regulations made by the Secretary of State.

Amendment 15, in clause 30, page 26, line 31, at end insert ", other than section (Cold calling about claims management services)"

This amendment is consequential on amendment 14.

Amendment 16, in clause 30, page 26, line 31, at end insert—

"( ) The Treasury must obtain the consent of the Lord Chancellor before making regulations under subsection (3) or (5) in relation to section (Legal services regulators' rules: charges for claims management services)."—*(Guy Opperman.)*

This amendment requires the Treasury to obtain the consent of the Lord Chancellor before making regulations for the commencement of the new clause inserted by amendment NC4.

Clause 30, as amended, ordered to stand part of the Bill.

10.30 am

Clause 31

Short Title

Guy Opperman: I beg to move amendment 17, in clause 31, page 26, line 34, leave out subsection (2).

This amendment removes the privilege amendment inserted by the Lords.

The Chair: With this it will be convenient to discuss clause stand part.

Guy Opperman: The amendment is a minor change that removes the privilege amendment inserted in the House of Lords. Privilege amendments are inserted to acknowledge that it is the privilege of the House of Commons to control charges on the people or on public funds. Its removal is a formality.

Amendment 17 agreed to.

Clause 31, as amended, ordered to stand part of the Bill.

New Clause 1

Personal pension schemes: requirements to recommend guidance etc

"(1) Section 137FB of the Financial Services and Markets Act 2000 (FCA general rules: disclosure of information about the availability of pensions guidance) is amended as follows.

(2) After subsection (1), insert—

"(1A) The FCA must also make general rules requiring the trustees or managers of a relevant pension scheme to take the steps mentioned in subsections (1B) and (1C) in relation to an application from a member or survivor—

(a) to transfer any rights accrued under the scheme, or

(b) to start receiving benefits provided by the scheme.

(1B) As part of the application process, the trustees or managers must ask the member or survivor whether they have received appropriate pensions guidance or appropriate independent financial advice.

(1C) In a case where the member or survivor indicates that they have not received appropriate pensions guidance or appropriate independent financial advice, the trustees or managers must also—

(a) recommend that the member or survivor seeks such guidance or advice, and

(b) ask the member or survivor whether—

(i) they wish to wait until they have received such guidance or advice before deciding whether to proceed with the application, or

(ii) they wish to proceed with the application without having received it.

(1D) The rules may—

(a) specify what constitutes appropriate pensions guidance and appropriate independent financial advice;

(b) make further provision about how the trustees or managers must comply with the duties in subsections (1B) and (1C) (such as provision about methods of communication and time limits);

(c) specify what the duties of the trustees or managers are in the situation where a member or survivor does not respond to a question mentioned in subsection (1B) or (1C)(b);

(d) provide for exceptions to the duties in subsections (1B) and (1C) in specified cases."

(3) In subsection (2), for "this section" substitute "subsection (1)".

(4) After subsection (2) insert—

"(2A) Before the FCA publishes a draft of any rules to be made by virtue of subsection (1A), it must consult—

(a) the Secretary of State, and

(b) the single financial guidance body."

(5) In subsection (3), for "the rules" substitute "rules to be made by virtue of subsection (1)".

(6) After subsection (3) insert—

"(3A) In determining what provision to include in rules to be made by virtue of subsection (1A), the FCA must have regard to any regulations that are for the time being in force under section 113B of the Pension Schemes Act 1993 (occupational pension schemes: requirements to recommend guidance etc)."

(7) In subsection (4), for the definition of "pensions guidance" substitute—

""pensions guidance" means information or guidance provided by any person in pursuance of the requirements mentioned in section5 of the Financial Guidance and Claims Act 2018 (information etc about flexible benefits under pension schemes);"."

—*(Guy Opperman.)*

This new clause requires the FCA to make rules requiring trustees or managers of personal and stakeholder pension schemes to check whether members have either received guidance or advice or have opted out of receiving it before accessing or transferring their pension assets. It also makes consequential amendments to FSMA 2000. It would be inserted after clause 18.

Brought up, read the First and Second time, and added to the Bill.

New Clause 2

Occupational pension schemes: requirements to recommend guidance etc

"(1) The Pension Schemes Act 1993 is amended as set out in subsections (2) to (5).

(2) After section 113A insert—

"113B Occupational pension schemes: requirements to recommend guidance etc

(1) The Secretary of State must make regulations requiring the trustees or managers of an occupational pension scheme to take the steps mentioned in subsections (2) and (3) in relation to an application from a relevant beneficiary—

(a) to transfer any rights accrued under the scheme, or

(b) to start receiving benefits provided by the scheme.

(2) As part of the application process, the trustees or managers must ask the beneficiary whether they have received appropriate pensions guidance or appropriate independent financial advice.

(3) In a case where the beneficiary indicates that they have not received appropriate pensions guidance or appropriate independent financial advice, the trustees or managers must also—

(a) recommend that the beneficiary seeks such guidance or advice, and

(b) ask the beneficiary whether—

(i) they wish to wait until they have received such guidance or advice before deciding whether to proceed with the application, or

(ii) they wish to proceed with the application without having received it.

(4) The regulations may—

(a) specify what constitutes appropriate pensions guidance and appropriate independent financial advice;

(b) make further provision about how the trustees or managers must comply with the duties in subsections (2) and (3) (such as provision about methods of communication and time limits);

(c) specify what the duties of the trustees or managers are in the situation where a beneficiary does not respond to a question mentioned in subsection (2) or (3)(b);

(d) provide for exceptions to the duties in subsections (2) and (3) in specified cases;

(e) provide for the Secretary of State or another prescribed person to issue guidance for the purposes of this section, to which trustees or managers must have regard in complying with their duties under the regulations.

(5) In determining what provision to include in the regulations, the Secretary of State must have regard to any rules that are for the time being in force under section 137FB(1A) of the Financial Services and Markets Act 2000.

(6) In this section—

"relevant beneficiary", in relation to a pension scheme, means—

(a) a member of the scheme, or

(b) another person of a prescribed description,

who has a right or entitlement to flexible benefits under the scheme;

"flexible benefits" has the meaning given by section 74 of the Pension Schemes Act 2015;

"pensions guidance" means information or guidance provided by any person in pursuance of the requirements mentioned in section5 of the Financial Guidance and Claims Act 2018 (information etc about flexible benefits under pension schemes)."

(3) In section 115 (powers as respects failure to comply with information requirements), in subsection (1), after "113" insert ", 113B".

(4) In section 182(5) (power of Treasury to direct that regulation-making powers are exercisable only in conjunction with them), after "except" insert "regulations under section 113B or".

(5) In section 185(2) (consultations about other regulations: exceptions), after paragraph (c) insert—

"(ca) regulations under section 113B; or".

(6) The Pension Schemes (Northern Ireland) Act 1993 is amended as set out in subsections (7) to (9).

(7) After section 109A insert—

"109B Occupational pension schemes: requirements to recommend guidance etc

(1) The Department must make regulations requiring the trustees or managers of an occupational pension scheme to take the steps mentioned in subsections (2) and (3) in relation to an application from a relevant beneficiary—

(a) to transfer any rights accrued under the scheme, or

(b) to start receiving benefits provided by the scheme.

(2) As part of the application process, the trustees or managers must ask the beneficiary whether they have received appropriate pensions guidance or appropriate independent financial advice.

(3) In a case where the beneficiary indicates that they have not received appropriate pensions guidance or appropriate independent financial advice, the trustees or managers must also—

(a) recommend that the beneficiary seeks such guidance or advice, and

(b) ask the beneficiary whether—

(i) they wish to wait until they have received such guidance or advice before deciding whether to proceed with the application, or

(ii) they wish to proceed with the application without having received it.

(4) The regulations may—

(a) specify what constitutes appropriate pensions guidance and appropriate independent financial advice;

(b) make further provision about how the trustees or managers must comply with the duties in subsections (2) and (3) (such as provision about methods of communication and time limits);

(c) specify what the duties of the trustees or managers are in the situation where a beneficiary does not respond to a question mentioned in subsection (2) or (3)(b);

(d) provide for exceptions to the duties in subsections (2) and (3) in specified cases;

(e) provide for the Department or another prescribed person to issue guidance for the purposes of this section, to which trustees or managers must have regard in complying with their duties under the regulations.

(5) In determining what provision to include in the regulations, the Department must have regard to any rules that are for the time being in force under section 137FB(1A) of the Financial Services and Markets Act 2000.

(6) In this section—

"relevant beneficiary", in relation to a pension scheme, means—

(a) a member of the scheme, or

(b) another person of a prescribed description,

who has a right or entitlement to flexible benefits under the scheme;

"flexible benefits" has the meaning given by section 74 of the Pension Schemes Act 2015;

"pensions guidance" means information or guidance provided by any person in pursuance of the requirements mentioned in section5 of the Financial Guidance and Claims Act 2018 (information etc about flexible benefits under pension schemes)."

(8) In section 111 (powers as respects failure to comply with information requirements), in subsection (1), after "109" insert "or 109B".

(9) In section 177(6) (power of Department of Finance to direct that regulation-making powers are exercisable only in conjunction with them), after "except" insert "regulations under section 109B or"." —*(Guy Opperman.)*

This new clause makes equivalent provision to that in NC1 for occupational pension schemes and requires the Secretary of State and the Department for Communities to make regulations corresponding to the FCA rules mentioned in NC1. It also makes consequential amendments to the Pension Schemes Act 1993 and the Pension Schemes (Northern Ireland) Act 1993.

Brought up, read the First and Second time, and added to the Bill.

New Clause 3

PPI claims: interim restriction on charges imposed by legal practitioners after transfer of regulation to FCA

"(1) A legal practitioner—

(a) must not charge a claimant, for a service which is a relevant claims management activity provided in connection with the claimant's PPI claim, an amount which exceeds the fee cap for the claim, and

(b) must not enter into an agreement that provides for the payment by a claimant, for a service which is a relevant claims management activity provided in connection with the claimant's PPI claim, of charges which would breach, or are capable of breaching, the prohibition in paragraph (a).

(2) Subsections (2) to (5) and (7) of section 27 apply for the purposes of the prohibitions in subsection (1) as they apply for the purposes of the prohibitions in section 27(1) but as if—

(a) references in those subsections to "regulated claims management services" were references to "relevant claims management activity" and references to "regulated persons" were references to "legal practitioners", and

(b) the first entry in columns 1 and 2 of the table in subsection (5) were omitted.

(3) Subsection (1) applies as follows—

(a) the prohibition in subsection (1)(a) applies only to charges imposed by a legal practitioner under an agreement entered into during the period—

(i) beginning with the first day of the second interim period (within the meaning given by section28(6)), and

(ii) ending with the end date for that practitioner, and

(b) the prohibition in subsection (1)(b) applies only to agreements entered into by a legal practitioner during that period.

(4) For the purposes of subsection (3), the end date is—

(a) for a legal practitioner for whom the relevant regulator is the Law Society of England and Wales, the day before the coming into force of the first rule made by the Law Society of England and Wales under section (Legal services regulators' rules: charges for claims management services) that applies to, or to any description of, PPI claims, and

(b) for any other legal practitioner, 29 April 2020.

(5) In this section "relevant claims management activity"—

(a) does not include any reserved legal activities of the kind mentioned in section 12(1)(a) or (b) of the Legal Services Act 2007 (exercise of a right of audience or the conduct of litigation), but

(b) otherwise, means activity of a kind specified in an order under section 22(1B) of the Financial Services and Markets Act 2000 (regulated activities: claims management services), disregarding any exemption in that order for activities carried on by, through, or at the direction of, a legal practitioner." —*(Guy Opperman.)*

This new clause requires the Law Society of England and Wales, the Bar Council and the Chartered Institute of Legal Executives, after the transfer of regulation from the Claims Management Regulator to the FCA, to enforce a fee cap in respect of charges by lawyers for certain claims management services provided in connection with a PPI claim until, in the case of the Law Society, the Society has made its own rules about charges for PPI claims, and in any other case, 29 April 2020.

Brought up, read the First and Second time, and added to the Bill.

New Clause 4

Legal services regulators' rules: charges for claims management services

"(1) The Law Society of England and Wales, the General Council of the Bar and the Chartered Institute of Legal Executives may make rules prohibiting regulated persons from—

(a) entering into a specified relevant claims management agreement that provides for the payment by a person of specified charges, and

(b) imposing specified charges on a person in connection with the provision of a service which is, or which is provided in connection with, a specified relevant claims management activity.

(2) The Law Society of England and Wales must exercise that power to make rules in relation to all relevant claims management agreements, and all relevant claims management activities, which concern claims in relation to financial products or services.

(3) The Law Society of Scotland may make rules prohibiting regulated persons from—

(a) entering into a relevant claims management agreement concerning a claim in relation to a financial product or service that provides for the payment by a person of specified charges, and

(b) imposing specified charges on a person in connection with the provision of a service which is, or which is provided in connection with, a relevant claims management activity concerning a claim in relation to a financial product or service.

(4) Rules under this section may make provision securing that for the purposes of the prohibition referred to in subsection (1)(a) or (3)(a) charges payable under a relevant claims management agreement are to be treated as including charges payable under an agreement treated by the rules as being connected with the relevant claims management agreement.

(5) In this section 'regulated persons' means—

(a) in relation to the Law Society of England and Wales—

(i) persons who, or licensable bodies which, are authorised by the Law Society to carry on a reserved legal activity,

(ii) European lawyers registered with the Law Society under the European Communities (Lawyer's Practice) Regulations 2000 (S.I. 2000/1119), and

(iii) foreign lawyers registered with the Law Society under section 89 of the Courts and Legal Services Act 1990;

(b) in relation to the Law Society of Scotland, Scottish legal practitioners;

(c) in relation to the General Council of the Bar—

(i) persons who, or licensable bodies which, are authorised by the General Council to carry on a reserved legal activity, and

(ii) European lawyers registered with the General Council under the European Communities (Lawyer's Practice) Regulations 2000;

(d) in relation to the Chartered Institute of Legal Executives, persons authorised by the Institute to carry on a reserved legal activity.

(6) The rules must be made with a view to securing an appropriate degree of protection against excessive charges for the provision of a service which is, or which is provided in connection with, a relevant claims management activity.

(7) The rules may specify charges by reference to charges of a specified class or description, or by reference to charges which exceed, or are capable of exceeding, a specified amount.

(8) The rules may not specify—

(a) charges for a reserved legal activity within the meaning of the Legal Services Act 2007 (see section 12 of that Act);

(b) charges imposed in respect of—

(i) the exercise of a right of audience by a Scottish legal practitioner;

(ii) the conduct of litigation by a Scottish legal practitioner.

(9) In subsection (8)(b)—

'conduct of litigation' means—

(a) the bringing of proceedings before any court in Scotland;

(b) the commencement, prosecution and defence of such proceedings;

(c) the performance of any ancillary functions in relation to such proceedings;

'right of audience' means the right to appear before and address a court in Scotland, including the right to call and examine witnesses.

(10) In relation to an agreement entered into, or charge imposed, in contravention of the rules, the rules may (amongst other things)—

(a) provide for the agreement, or obligation to pay the charge, to be unenforceable or unenforceable to a specified extent;

(b) provide for the recovery of amounts paid under the agreement or obligation;

(c) provide for the payment of compensation for any losses incurred as a result of paying amounts under the agreement or obligation.

(11) For the purposes of this section—

'relevant claims management activity' means activity of a kind specified in an order under section 22(1B) of the Financial Services and Markets Act 2000 (regulated activities: claims management services), disregarding any exemption in that order for activities carried on by, through, or at the direction of, a legal practitioner;

'relevant claims management agreement' means an agreement, the entering into or performance of which by either party is a relevant claims management activity;

'Scottish legal practitioner' means—

(a) a person qualified to practise as a solicitor in accordance with section 4 of the Solicitors (Scotland) Act 1980;

(b) European lawyers registered with the Law Society of Scotland under the European Communities (Lawyer's Practice) (Scotland) Regulations 2000 (S.S.I. 2000/121);

(c) foreign lawyers registered with the Law Society of Scotland under section 60A of the Solicitors (Scotland) Act 1980;

(d) an incorporated practice within the meaning given by section 34(1A)(c) of the Solicitors (Scotland) Act 1980;

(e) a licensed legal services provider within the meaning of Part 2 of the Legal Services (Scotland) Act 2010 (see section 47 of that Act) that provides, or offers to provide, legal services under a licence issued by the Law Society of Scotland;

'specified' means specified in the rules, but 'specified amount' means an amount specified in or determined in accordance with the rules.

(12) This section does not limit any power of the Law Society of England and Wales, the Law Society of Scotland, the General Council of the Bar or the Chartered Institute of Legal Executives existing apart from this section to make rules."—*(John Glen.)*

This new clause makes provision about rules prohibiting charges for claims management services which may be made by the Law Society of England and Wales, the General Council of the Bar, the Chartered Institute of Legal Executives and (where the claim concerns financial products or services) the Law Society of Scotland, and imposes a duty on the Law Society of England and Wales to make such rules in relation to claims concerning financial products or services.

Brought up, and read the First time.

John Glen: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss Government new clause 5—*Extension of power of the Law Society of Scotland to make rules*.

John Glen: New clauses 4 and 5 place a duty on the Law Society of England and Wales to cap fees in relation to financial service claims management activity, and give the Law Society of Scotland a power to restrict fees charges for that activity. The clauses also give some legal services regulators in England and Wales a power to restrict fees charged for broader claims management services, and give the Treasury a power to extend the Law Society of Scotland's fee-capping power to broader activity in the future. As I am sure hon. Members are aware, claims management services are carried out not only by claims management companies, but sometimes by legal service providers as well. That is why the Government are introducing the new clauses. They will ensure that consumers are protected no matter which type of claims management service provider they use—whether regulated by the legal service regulators or by the Financial Conduct Authority.

As Members will know, fees charged for claims management services have attracted severe criticism. The Public Accounts Committee 2016 report on financial services mis-selling commented:

"It is a failure of the system of regulation and redress that claims management companies have been able to make up to £5 billion out of compensation to victims of mis-selling."

The Bill already contains provisions to ensure that the FCA will cap fees in relation to financial product and services claims, and new clause 4 replicates that duty in relation to the Law Society of England and Wales. It also mirrors the FCA's broader power to restrict fees for claims management activities by providing a similar power to the General Council of the Bar, the Chartered Institute of Legal Executives, and the Law Society of England and Wales. That power will enable them to make rules that cap the fees that legal service providers charge for claims management services. That will enable the legal services regulators to adapt to any future changes in the market, alongside the FCA.

New clause 4 also gives the Law Society of Scotland a power to restrict fees in relation to financial services claims management, and new clause 5 gives the Treasury a power to extend that provision to include wider claims management activity, should that be required in the

[John Glen]

future. That gives the flexibility required to respond to any future changes in the claims management sector. Although the Government are of the view that the regulation of claims management activity is reserved, we have worked in a spirit of co-operation with the Scottish Government to ensure that the provisions are fit for purpose in Scotland, and that Scottish consumers have the same high standards of protection when using claims management services as consumers in England and Wales. I hope Members agree that the new clauses collectively provide for the best protection of consumers across Great Britain.

Jack Dromey: The Minister was right to refer to the Public Accounts Committee report. It is nothing short of scandalous that there has been an immense industry, often on the back of misery. Consumers deserve to be properly protected in future. The clauses are sensible because they go beyond claims management companies, with the duty on the Law Society. Of course, it is about not only CMCs, but legal service providers.

Finally, with regard to new clause 5, it makes sense for there to be flexibility to extend the provision to restrict fees in the future, given potential changes in the nature of the industry.

Question put and agreed to.

New clause 4 accordingly read a Second time, and added to the Bill.

New Clause 5

Extension of power of the Law Society of Scotland to make rules

"(1) The Treasury may by regulations amend section (*Legal services regulators' rules: charges for claims management services*) for the purpose of extending the power in subsection (3) of that section so as to apply to—

(a) all relevant claims management agreements;

(b) all relevant claims management activity;

(c) any description of relevant claims management agreement;

(d) any description of relevant claims management activity.

(2) The Treasury must obtain the consent of the Scottish Ministers before making regulations under subsection (1).

(3) Regulations under this section—

(a) are to be made by statutory instrument;

(b) may make incidental, supplemental or consequential provision.

(4) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament."—*(John Glen.)*

This new clause would permit the Treasury, with the consent of the Scottish Ministers, to make regulations which extend the power given to the Law Society of Scotland to make rules by NC4.

Brought up, read the First and Second time, and added to the Bill.

New Clause 6

Cold calling about claims management services

"(1) The Privacy and Electronic Communications (EC Directive) Regulations 2003 (S.I. 2003/2426) are amended as follows.

(2) In regulation 21 (calls for direct marketing purposes), after paragraph (5) insert—

'(6) Paragraph (1) does not apply to a case falling within regulation 21A.'

(3) After regulation 21 insert—

'21A Calls for direct marketing of claims management services

(1) A person must not use, or instigate the use of, a public electronic communications service to make unsolicited calls for the purposes of direct marketing in relation to claims management services except in the circumstances referred to in paragraph (2).

(2) Those circumstances are where the called line is that of a subscriber who has previously notified the caller that for the time being the subscriber consents to such calls being made by, or at the instigation of, the caller on that line.

(3) A subscriber must not permit the subscriber's line to be used in contravention of paragraph (1).

(4) In this regulation, "claims management services" means the following services in relation to the making of a claim—

(a) advice;

(b) financial services or assistance;

(c) acting on behalf of, or representing, a person;

(d) the referral or introduction of one person to another;

(e) the making of inquiries.

(5) In paragraph (4), "claim" means a claim for compensation, restitution, repayment or any other remedy or relief in respect of loss or damage or in respect of an obligation, whether the claim is made or could be made—

(a) by way of legal proceedings,

(b) in accordance with a scheme of regulation (whether voluntary or compulsory), or

(c) in pursuance of a voluntary undertaking.'

(4) In regulation 24 (information to be provided for the purposes of regulations 19 to 21)—

(a) in the heading, for ', 20 and 21' substitute 'to 21A';

(b) in paragraph (1)(b), after '21' insert 'or 21A'."—*(John Glen.)*

This amendment inserts a provision into the Privacy and Electronic Communications (EC Directive) Regulations which prohibits live unsolicited telephone calls for the purposes of direct marketing in relation to claims management services except where the person called has given prior consent to receiving such calls.

Brought up, and read the First time.

John Glen: I beg to move, That the clause be read a Second time.

The Chair: With this it will be convenient to discuss new clause 9—*Ban on unsolicited real-time direct approaches by, on behalf of, or for the benefit of companies carrying out claims management services and a ban on the use by claims management companies of data obtained by such methods*—

"(1) The FCA must, within the period of six months beginning with the day on which this Act comes into force, introduce bans on—

(a) unsolicited real-time direct approaches to members of the public carried out by whatever means, digital or otherwise, by, on behalf of, or for the benefit of companies carrying out claims management services or their agents or representatives,

(b) the use for any purpose of any data by companies carrying out claims management services, their agents or representatives where they cannot demonstrate to the satisfaction of the FCA that this data does not arise from any unsolicited real-time direct approach to members of the public carried out by whatever means, digital or otherwise.

(2) The FCA must fix the appropriate penalties for breaches of subsection (1)(a) and (b) above."

This new clause would require the FCA to ban cold calling for claims management companies. Critically, it would also ban the use by these companies of any data obtained by cold calling. Together, these provisions would make cold calling for CMCs illegal and cut off the revenue stream to cold callers, by preventing CMCs using their data. The new clause would also allow the FCA to set the appropriate penalties for any breach of either of these bans. The bans would come into effect with the passing of this Bill.

John Glen: Government new clause 6 is about cold calling made for the purposes of providing claims management services. As Members will be aware, that topic has been discussed at length during the passage of the Bill. The Government have listened to the debates closely and committed in the other place to table an amendment that would restrict cold calls made by claims management companies. The new clause makes good on that commitment.

Calls from claims management companies and other entities are not merely a source of irritation, but can result in extreme distress to those answering the calls, especially the most vulnerable in our society. As the Government have stated in previous debates, we have forced companies to display their calling line identification when they call. We have made it easier to prosecute those involved in making the calls by removing the threshold for financial penalties to be administered and we have strengthened the Information Commissioner's powers for imposing fines on wrongdoers.

In addition, the claims management regulator and the Solicitors Regulation Authority have taken action against claims companies and solicitors that have breached tough direct marketing rules, including in relation to accepting illegally generated leads. However, we appreciate that we need to do more to truly eradicate the problem. New clause 6 seeks to ban cold calls made for the purposes of direct marketing in relation to claims management services, except where the person called has given prior consent to receiving such calls. The new clause will insert a provision into the Privacy and Electronic Communications (EC Directive) Regulations 2003, which govern unsolicited direct marketing.

The new clause will ensure that any call, whether it is from a claims management company, an individual or a lead generator, made for the purposes of direct marketing in relation to claims management services, is an unlawful call unless the receiver has explicitly consented to that call being made to them. The new clause takes the onus away from the individual to opt out of such calls being made to them—by signing up to the telephone preference service, for example—and puts the responsibility back on the organisation and its due diligence before making such calls.

There are complexities in legislating, including those related to navigating EU frameworks. However, the Government are convinced that the new clause will have the effect of making unwanted calls from claims management services unlawful.

Gareth Thomas: Is there not a concern that, having given consent to be phoned once, an individual might then be subject to a series of unwanted phone calls? One could imagine a situation in which an initial call is wanted by one of our constituents, but a company takes advantage of the permission to make a series of unwarranted further calls by arguing that it has the legal power to do so. What would happen in that situation?

John Glen: I will need to write to the hon. Gentleman on the mechanics of what can be done subsequently and how quickly and am happy to do so as quickly as possible.

Gareth Thomas: I apologise for intervening again, but I am thinking of an elderly constituent. One hears of scams and constituents being taken advantage of. How do we protect the individual who genuinely wants information and perhaps gives permission once, but then, perhaps because of their age or infirmity or whatever, they start to get taken advantage of? How do we prevent that?

John Glen: I am sorry that I cannot give the hon. Gentleman a full service response, but I will look into that issue carefully and keep in mind the specific circumstances he has described, which I will seek to address in my reply.

The new clause is another robust proposal to add to our package of measures to tackle unsolicited marketing calls. I hope they will be gratefully received by consumers across the UK.

10.45 am

Jack Dromey: I again seek your guidance, Mr Rosindell. I presume I am able now to address new clause 6 and our new clause 9. New clause 8 has not been selected, but I want to make reference to a couple of points of substance in relation to it, which are relevant to this debate. I seek your guidance on that.

The Chair: Certainly you may speak to new clause 9. New clause 8 has not been selected, so you must mention it in a way that would be acceptable. You are experienced enough to follow the deft way the hon. Member for Harrow West dealt with it.

Jack Dromey: Perhaps I will emulate the fleetness of parliamentary foot of my hon. Friend the Member for Harrow West.

I will start with a rather bizarre example, which is of no consequence to me personally. Ironically, as we were getting ready for Committee last week, I had a cold call. Out of the blue, the individual concerned said, "I understand you've had a car accident," to which I replied, "Yes. How did you know?" She said, "We're here to help you." I then said, "Actually, the car accident was 38 years ago. I pulled up at a pedestrian crossing

[Jack Dromey]

and somebody ran into the back of my car." She said, "Oh. I'm not sure we can help you with those circumstances."

To make a more serious point, the new clause would require the FCA to ban cold calling for claims management companies. Critically, it would also ban the use by those companies of any data obtained by cold calling. Together, those provisions would make cold calling for CMCs illegal and would cut off the revenue stream to cold callers by preventing CMCs from using their data. The new clause would also allow the FCA to set up appropriate penalties for any breach of either of those bans, which would come into effect with the passing of the Bill.

Cold calling is not just a social nuisance; it is often a direct threat to consumers' financial wellbeing. It is often an invitation—or, more exactly, an inducement—to criminal activity. There are now 2.6 million cold calls every month. That number has increased by 180% in the last year. Whatever the Information Commissioner's Office is doing is not working, and the problem continues to grow rapidly.

A Which? report from November 2016 found that in 17 of the 18 cities surveyed, more than a third of all private phone calls were nuisance calls, and that four in 10 people in the Scottish sample were intimidated by the calls. Older people are particularly vulnerable to cold callers. I have seen that personally: a 99-year-old woman was cold called four times, and on one of those occasions she suffered serious consequences as a result. Like her, more than 11 million pensioners are targeted annually by cold callers. Fraudsters make 250 million calls a years—equivalent to eight every second. For some, they are a danger. They prey on some of the most vulnerable people in society.

There is sadly no better example of that than the British Steel workers in Port Talbot. When a deal was struck last year to keep Tata Steel UK afloat, members of the £15 billion British Steel pension fund were given the option to shift their assured benefits to the Pension Protection Fund, join a new retirement scheme backed by Tata or transfer to personal pension funds. However, that led to what has been called a "feeding frenzy" at the site, as dodgy introducers preyed on workers, who were more than likely confused about the position of their pension, and may not have had the financial education to make such an important decision themselves.

Craig Tracey (North Warwickshire) (Con): We all agree that cold calling is a huge issue, but the problem with the new clause is that it seeks to place the burden of establishing when cold calling is taking place on the FCA. Does the hon. Gentleman agree that that approach would divert resources away from what it should be doing—ensuring that the right business models are in place and that there is better transparency for consumers?

Jack Dromey: Given the evidence of huge growth in cold calling and the consequences that individuals can pay as a result—I will give a tragic example in a moment—our strong view is that the time has come to send an unmistakeable message: a ban on cold calling, full stop.

I will give an example in relation to Port Talbot and the consequences I referred to last week. The Pensions Advisory Service was eventually asked to go down to Port Talbot, some months after the crisis developed. It told me only last week the heartbreaking story of that shift supervisor who had worked for British Steel all his life. He burst into tears and said, "Wrongly advised, I made the wrong decision." He also said, "I'll never, ever forgive myself, because the 20 people on my shift who I supervised all followed my example."

The evidence is powerful and compelling, and I do not think for one moment the Government would argue against it. The question is: what do we now do about it? The introducer concerned at Port Talbot—I have often described them as vultures—bought meals for workers in local pubs and convinced them to transfer their pensions, often into totally unsuitable schemes, where some could have lost up to six figures from the total of their pension.

The Financial Conduct Authority is probing concerns about pension changes that appear to have affected about 130,000 members of the Tata retirement fund. South Wales police are now investigating. That is a clear example from the world of work where dodgy practices have been used, with a negative and often serious impact on workers' finances. Our new clause would stop all unsolicited real-time approaches by, on behalf of, or for the benefit of companies carrying out claims management services.

There is a huge and rising number of claims for alleged holiday sickness. In July and August 2016 alone, one operator took 750,000 British, 800,000 German and 375,000 Scandinavian customers to Spain. The Scandinavians lodged 39 claims for holiday sickness—essentially, food poisoning—the Germans 114 and the British about 4,000. It is not only pensions where cold calling has had a negative impact. It is also commonplace for claims management companies to use it to harvest cases of road traffic accidents as well as for holiday sickness, where sadly, the UK has become the world leader.

The Association of British Travel Agents said there were about 35,000 claims for holiday sickness in 2016: a 500% rise since 2013. About one in five Britons—19%, or about 9.5 million people—has been approached about making a compensation claim for holiday sickness. As a result, hoteliers in the markets affected are now threatening significant price increases, and some are even considering withdrawing the all-inclusive product from UK holidaymakers entirely. The great majority of honest holidaymakers may suffer as a consequence of the wrongdoing of a small minority, encouraged by cold calling.

A total ban on cold calling would likely lead to a fall in the harvesting of false holiday sickness claims. In the words of Lord Sharkey in the other place a ban is necessary to deal with the "omnipresent menace" of cold calls. Baroness Altmann has said:

> "People need protection from this nuisance now. They shouldn't have to wait still more years for a ban....Direct approaches to people on their mobiles or home phones should have no place in the modern world of business."

That kind of thing not only costs our travel industry a huge amount and raises prices for everyone but directly encourages criminal acts on a larger scale, and it is welcome that there have been some early prosecutions accordingly.

Neil Coyle: I thank my hon. Friend for raising the issue and for mentioning ABTA, which is based in my constituency. ABTA has done a huge amount of work on the need to introduce exactly what he advocates, to highlight incidents of people fraudulently trying to make claims, supported by cold calling, while posting on Facebook and elsewhere about how much they have enjoyed their holidays and how boozed up they have been. There is clearly a need to address the issue.

Jack Dromey: My hon. Friend is absolutely right. ABTA is increasingly concerned about the consequences for consumers more generally and for its business in particular. Hoteliers and airlines will suffer unless the growing scandal, at the heart of which is shameless cold calling, is ended.

We already ban cold calling for mortgages, and we welcome the Government's commitment to introducing an immediate ban on cold calling for pensions, but we should also be able to ban cold calling for CMCs, and include a ban on the commercial use of data obtained by cold calling. An unmistakeable message needs to be sent: "If you cold call illegally we will probably catch you and, in any case, you will not be able to sell or use any data collected illegally".

Laws can, of course, be broken, which is why the new clause gives the FCA the power to set appropriate penalties for a breach of either of the bans. Since the banning of cold calling for mortgages, technology has made enormous progress, and we hope that the Government will be prepared to go yet further in the next stages. The ban on cold calling for mortgages has made truly massive-scale cold calling illegal, but the scale of cold calling continues to grow. Cold calling can and does have damaging and dangerous consequences, especially for the vulnerable, for the elderly, for workers like those in Port Talbot at a time of crisis in their lives, and for the business community. It is time to call a halt to all of that, which is what new clause 9 would do.

New clause 6 inserts a provision into the European Union's privacy and electronic communications directive, which prohibits unsolicited telephone calls for the purposes of direct marketing, in relation to claims management services, except when the person called has given prior consent to receiving such calls. The provision will treat the telephone numbers of everyone cold called about claims management as if they were listed on the telephone preference service register. In 2017, the ICO received 11,805 reports of unsolicited direct marketing calls about claims management from people already on the TPS register, in addition to reports of 17,112 calls and texts for which absence from the register was not deemed to represent consent. The Government amendment will simply add more cases to the yearly total—28,917 in 2017—and will do little to stop the scourge of cold calling. We will not oppose the provision but we invite the Government to comment on our points.

On new clause 8, which has not been selected, the Chairman is absolutely right that it would be an abuse—

The Chair: The hon. Gentleman knows that he cannot speak directly to new clause 8.

Jack Dromey: In the circumstances, of course I accept your ruling, Mr Rosindell. All I would say is that the example of the Port Talbot introducers is scandalous and the impact on the lives of the vulnerable is outrageous. We are determined to stamp out that practice. Coming back to the core proposal contained in our new clause, the time has come to ban cold calling, full stop.

11 am

Ellie Reeves (Lewisham West and Penge) (Lab): It is a pleasure to serve under your chairmanship, Mr Rosindell, on my first Bill Committee.

New clause 9 would introduce a much-needed ban on cold calling by claims management companies, including in relation to personal injury. Although the Government have previously stated that they are committed to introducing a ban, new clause 6 simply does not go far enough.

It is estimated that claims management companies make around 51 million personal injury-related calls and texts each year and that most people have received one. Not only are such calls a nuisance, they also exploit vulnerable people. Not surprisingly, 67% of people are in favour of a ban on personal injury cold calling. It is worth noting that solicitors are already banned from cold calling in personal injury claims, but the fact that claims management companies are not risks bringing the sector into disrepute.

Cold calling can generate the false perception that obtaining compensation is easy, even where there is no injury. It can put pressure on people to pursue unmeritorious or, at the very worst, fraudulent claims, which they otherwise may not do. It may never have been the intention of someone to make a claim, but if they receive a text promising them thousands of pounds, it might seem very tempting. As my hon. Friend the Member for Birmingham, Erdington has already spoken about, there is evidence to suggest that cold calling has led to a rise in holiday sickness claims.

There is a context. The Government are proposing to reform compensation rules for whiplash claims and to increase the small claims limit in road traffic accidents from £1,000 to £5,000, and in public liability and employers' liability claims from £1,000 to £2,000. The Government say that that is to cut down on fraudulent claims and bring down insurance premiums. However, many, including myself, are concerned that it will have a significant impact on access to justice, with people not being able to access proper legal advice in such claims, which can often be complex. Surely a better solution would be to have an outright ban on cold calling in personal injury claims by claims management companies, which is what new clause 9 seeks to do. The new clause is clear—it would result in a ban on all cold calling by claims management companies and would also ban other methods of approach, such as texting.

In contrast, new clause 6 creates confusion. It would ban cold calling unless someone has given consent. What amounts to consent in this context may not always be clear and people, especially the most vulnerable, may struggle to understand that they have consented to being cold called or may not appreciate what they have consented to. My hon. Friend the Member for Harrow West has raised concerns about the elderly and infirm. The Minister has not today been able to give any comprehensive answer on how those fears will be dealt with. Put simply, new clause 6 does not go far enough to ban the scourge of cold calling.

[Ellie Reeves]

Earlier this month, Lord Keen stated in evidence to the Justice Committee that

"effectively stopping cold calling is an immensely complex process, because cold calling nowadays is carried out by unregulated entities from outwith the United Kingdom. We have instances of it being carried on in south America to target the UK. They then spoof their telephone numbers...so that it is impossible to trace the origins of the call."

Will the Minister therefore assure me that more will be done to tackle such complex instances of cold calling, notwithstanding the measures in the Bill, so that the problem does not simply carry on under a different guise and vulnerable people do not continue to be exploited in this way?

John Glen: Opposition new clause 9 is identical to the Lords amendment and seeks to compel the FCA to ban unsolicited direct approaches by, on behalf of or for the benefit of companies providing claims management services. It also seeks to ban those companies from using data obtained through those methods. Unfortunately, it would give the FCA a duty it cannot enforce under its current regime.

I assure the hon. Member for Birmingham, Erdington and the hon. Member for Lewisham West and Penge that the Government are committed to tackling the issue properly and have consulted with the FCA, the claims management regulation unit and the Information Commissioner's Office to ensure that Government new clause 6 does so in the most effective way—it will amend the Privacy and Electronic Communications (EC Directive) Regulations 2003 to prohibit direct marketing calls by claims management services unless an individual has given their consent. I was challenged on that matter, and I will clarify by letter.

The provision will be implemented by the ICO as the regulator responsible for the enforcement of the regulations. It has considerable powers and can issue fines of up £500,000. Under the incoming general data protection regulation, the unlawful use of personal data can attract fines of up to £17 million or 4% of annual turnover. The ICO is committed to enforcing the sanctions in the Privacy and Electronic Communications (EC Directive) Regulations 2003 and has issued nearly £3 million in monetary penalties for breaches of direct marketing since January last year. We have worked with the ICO in developing the new clause, and it is confident that it will be able to enforce it in conjunction with the FCA.

The FCA will of course have a role to play and will use all the tools available to take action where it discovers behaviour causing consumer harm. I acknowledge the cases that both Members raised, which are unacceptable. I am also confident that the FCA will work closely with the ICO where breaches are identified. I am sure members of the Committee will agree that it is better to include a new clause that will work—Government new clause 6—than to include new clause 9. As such, I encourage both Members not to press their new clause to a vote.

Jack Dromey: We are not convinced. It comes down fundamentally to the issue of principle. If it is right that all the evidence is that cold calling has been deeply damaging for the elderly, for the vulnerable, for those at a time of crisis in their lives, such as the Port Talbot workers and now, dare I say it, Carillion workers, and for business, then in those circumstances the practice has to end, full stop. The difference between the two new clauses is that we are saying precisely that with new clause 9. While the Government take some steps in that direction with new clause 6, the reality is that this unacceptable practice will continue and is likely to continue to grow.

The Minister talked about penalties handed out thus far of £3 million, but it is a billion-pound industry of abuse. We therefore believe it to be right to send that unmistakeable message so that never again will those people, particularly those at a time of crisis in their lives, fear that supposedly friendly phone call that time and again leads them to make disastrous decisions with disastrous consequences. Our intention is to press new clause 9 to a vote.

Question put and agreed to.

New clause 6 accordingly read a Second time.

Question put, That the clause be added to the Bill.

The Committee divided: Ayes 9, Noes 8.

Division No. 3]

AYES

Burghart, Alex	Merriman, Huw
Donelan, Michelle	Milling, Amanda
Glen, John	Opperman, Guy
Latham, Mrs Pauline	Tracey, Craig
Mackinlay, Craig	

NOES

Amesbury, Mike	Fovargue, Yvonne
Black, Mhairi	Foxcroft, Vicky
Coyle, Neil	Reeves, Ellie
Dromey, Jack	Thomas, Gareth

Question accordingly agreed to.

New clause 6 added to the Bill.

New Clause 9

BAN ON UNSOLICITED REAL-TIME DIRECT APPROACHES BY, ON BEHALF OF, OR FOR THE BENEFIT OF COMPANIES CARRYING OUT CLAIMS MANAGEMENT SERVICES AND A BAN ON THE USE BY CLAIMS MANAGEMENT COMPANIES OF DATA OBTAINED BY SUCH METHODS

"(1) The FCA must, within the period of six months beginning with the day on which this Act comes into force, introduce bans on—

(a) unsolicited real-time direct approaches to members of the public carried out by whatever means, digital or otherwise, by, on behalf of, or for the benefit of companies carrying out claims management services or their agents or representatives,

(b) the use for any purpose of any data by companies carrying out claims management services, their agents or representatives where they cannot demonstrate to the satisfaction of the FCA that this data does not arise from any unsolicited real-time direct approach to members of the public carried out by whatever means, digital or otherwise.

(2) The FCA must fix the appropriate penalties for breaches of subsection (1)(a) and (b) above.'—*(Jack Dromey.)*

This new clause would require the FCA to ban cold calling for claims management companies. Critically, it would also ban the use by these companies of any data obtained by cold calling. Together, these provisions would make cold calling for CMCs illegal and cut off the revenue stream to cold callers, by preventing CMCs using their data. The new clause would also allow the FCA to set the appropriate penalties for any breach of either of these bans. The bans would come into effect with the passing of this Bill.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 8, Noes 9.

Division No. 4]

AYES

Amesbury, Mike	Fovargue, Yvonne
Black, Mhairi	Foxcroft, Vicky
Coyle, Neil	Reeves, Ellie
Dromey, Jack	Thomas, Gareth

NOES

Burghart, Alex	Merriman, Huw
Donelan, Michelle	Milling, Amanda
Glen, John	Opperman, Guy
Latham, Mrs Pauline	Tracey, Craig
Mackinlay, Craig	

Question accordingly negatived.

New Clause 12

PROVISION OF ADVICE ON CONSUMER CREDIT MATTERS BY LEGAL ADVICE CLINICS

"(1) In exercising its functions, the single financial guidance body must have regard to the availability of consumer access to advice on consumer credit matters.

(2) The single financial guidance body must specifically consider the impact on consumers of Part XX (Provision of financial services by members of the professions) Financial Services and Markets Act 2000 preventing probono legal clinics from providing advice on consumer credit matters.

(3) If the single financial guidance body considers that allowing members of the professions to provide advice on consumer credit matters would be conductive to its functions it must advice the Secretary of State to amend the Financial Services and Markets Act 2000.

(4) On receipt of advice from the single financial guidance body under subsection (4), the Secretary of State may by regulations made by statutory instrument amend Part XX of the Financial Services and Markets Act 2000.

(5) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament."*—(Yvonne Fovargue.)*

This new clause would require the single financial guidance body to consider the effect on consumers of the prohibition on probono legal clinics giving legal advice and if it considers necessary recommend that the Secretary of State amend the Financial Services and Markets Act 2000 to allow probono legal clinics to provide this service.

Brought up, and read the First time.

Yvonne Fovargue (Makerfield) (Lab): I beg to move, That the clause be read a Second time.

This measure is probing and I will not press it to a vote. It was prompted by LawWorks, the operating name of the Solicitors Pro Bono Group—I know that the Minister is a great supporter of pro bono. The group is an independent charity that helps to bring together lawyers who are prepared to offer their time free of charge to individuals and community groups in need of legal advice and support.

The purpose of the new clause is not to deregulate the whole market, but to relax the prohibition that applies to solicitors working in pro bono legal advice clinics from providing advice on consumer credit matters. The prohibition arose as a result of what LawWorks believes was an unintended consequence of secondary legislation under the Financial Services and Markets Act 2000.

By way of background, in 2014 responsibility for regulating consumer credit and consumer credit advice in the UK was transferred from the Office of Fair Trading to the FCA. As part of the regulatory transfer, the group licensing regime was abolished and replaced by the individual authorisation and permission regime for credit-related regulated activities.

The regulatory transfer has not affected the not-for-profit organisations such as local citizens advice, which operate under an OFT group licence, because it could continue under the grandfathering provision. The Law Society's group licence, however, could not transfer under that provision, because the Law Society is not a not-for-profit organisation. Although LawWorks and the clinics in its network are not-for-profit organisations, they have not been able to rely on the grandfathering provision because they did not have their own group licence before 1 April 2014. As a consequence, the solicitors and firms who volunteer at clinics are at risk of committing a criminal offence by breaching the general prohibition in the FSMA when providing debt and consumer credit advice services.

The new clause would simply make a legislative change to the FSMA to enable the services to be provided without the need for FCA authorisation in a discreet range of services. I certainly do not want an unregulated market, but I want pro bono solicitors to be able to offer the advice they are trained to give. It complements one of the Bill's main aims, which is to facilitate a free and impartial money guidance service to the public.

11.15 am

Guy Opperman: It is a delight to respond to a very important and legitimate point. I should make a number of declarations at the outset: I know LawWorks very well, I set up a free representation unit and a pro bono unit, and two Labour Peers have given me awards for my pro bono works in the past. Lord Goldsmith and Baroness Scotland were both most ill advised in giving me the pro bono lawyer of the year and then a pro bono hero award for exactly this sort of work, although not in respect of debt advice. I have great sympathy with the hon. Lady's point. I will address it briefly now but am happy to discuss it in more detail.

There are a number of easy arguments to make. Most importantly, this is a matter that the single financial guidance body can already address. Clause 3(5), (9) and (10) give capacity for the single financial guidance body to review the provision of those types of arrangements, and to make recommendations once it has come to a conclusion on whether it is an appropriate way forward.

I accept and acknowledge that the FCA transfer has created some anomalies, but there is a reason why. The hon. Lady will fully understand that the Government are keen to ensure that consumers in problem debt have access to high-quality, regulated debt advice. The new body will, to a great degree, go a long way to ensure that that specific goal is met, but there are a couple of extra points I will make.

First, it is important to note that, during the transfer of debt advice regulation to the FCA, the not-for-profit debt advice providers widely supported the FCA regulation

[Guy Opperman]

of their activity because they felt it was important to ensure that all debt advice was of a high quality. Secondly, with great respect to LawWorks and the point made, I do not believe the assertion made is appropriate. Of course, individual organisations can apply to be regulated if they so choose, or to get a group regulation under FCA rules, but I think it appropriate that we consider it in more detail and invite the SFGB to go away and decide whether it is something it would recommend as part of the statutory remit we have set up under clause 3. In those circumstances, I invite the hon. Lady not to pursue her new clause.

Yvonne Fovargue: I thank the Minister for his reply and I am pleased that he has taken on board the principle. Certainly we do not want to deregulate the Debt Advice Network. I am in favour of it being a regulated body so that we can have high-quality advice. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

Guy Opperman: Am I correct that we have now finished all particular clauses that need to be decided thus far?

The Chair: It would appear so.

Question proposed, That the Chair do report the Bill, as amended, to the House.

Guy Opperman: Although the Committee has finished earlier than programmed, I think it is fair to say that the Bill has received thorough scrutiny from hon. Members in all particular ways. Some measures have been more scrutinised than others, even though they were not particularly on the amendment paper as appropriate for scrutiny.

I put on the record my thanks to your good self, Mr Rosindell, and also to Mr Stringer for keeping us moderately in order and for running the sessions so smoothly. I also thank *Hansard*, the Doorkeepers and the Clerks for enabling us to get through the business so efficiently. On behalf of my hon. Friend the Economic Secretary to the Treasury and myself, I thank the multitude of officials who have kept us in order. I also thank the hon. Member for Birmingham, Erdington, for the Opposition, and the hon. Member for Paisley and Renfrewshire South, for the Scottish National party, for the constructive way in which they have engaged with the debate. We believe we are taking forward a Bill that all parties fundamentally support, and doing the right thing. I look forward to continuing any of those further discussions on Report.

Jack Dromey: To respond briefly, I echo those thanks to all who have played their part in the passage thus far of the Bill, initially through the other place and then through the House of Commons.

I will make two points. First, as I said on Second Reading, this is a good Bill and a welcome step in the right direction. The establishment of the SFGB is welcome indeed. Crucially, we now need to make it effective at the next stages. In Committee we set out, as we said on Second Reading, to further strengthen the Bill and to inject what I called a "sense of urgency" into certain of the provisions contained in the Bill.

Secondly, I hope the Government will reflect on what has been said in respect of both cold calling and default guidance on Report. In conclusion, it would be churlish not to recognise that this is a welcome step in the right direction. I thank both Ministers concerned for their constructive engagement. Would that that was always possible on all occasions on all issues with those on the Government Front Bench. Having said that, it would be churlish indeed not to reflect that engagement. I hope the Ministers accept on Report the overwhelming logic and power of argument in respect of cold calling and default.

The Chair: I thank the Minister and the shadow Minister for their comments, and can I say what a pleasure it has been to chair this Committee?

Question put and agreed to.

Bill, as amended, accordingly to be reported.

11.21 am

Committee rose.

Written evidence reported to the House

FGCB 19 Citizens Advice
FGCB 20 Keoghs LLP
FGCB 21 LawWorks
FGCB 22 Gladstone Brookes
FGCB 24 DWF LLP
FGCB 25 Hargreaves Lansdown
FGCB 26 Motor Accident Solicitors Society (MASS)
FGCB 27 The Professional Financial Claims Association
FGCB 28 Barclays
FGCB 29 Carpenters
FGCB 30 One Advice Group
FGCB 31 Thomas Cook Group